ROCKVILLE: 240-777-6550 ANNAPOLIS: 240-777-8270

HB 798 DATE: February 19, 2024

SPONSOR: Montgomery County Delegation

ASSIGNED TO: Economic Matters

CONTACT PERSON: Melanie Wenger (melanie.wenger@montgomerycountymd.gov)

POSITION: Support

Montgomery County – Alcoholic Beverages – Class D Beer and Wine License – Farm Breweries and Limited Wineries MC 17-24

This bill is a reintroduction of local legislation introduced in the 2022 Session. It authorizes the Board of License Commissioners to issue Class D beer and wine licenses to holders of Class 8 farm brewery or Class 4 limited winery licenses, to sell: (1) products that the holder manufactures for on-and-off premises consumption; (2) products manufactured by the holder of another Class 8 farm brewery license; or (3) products manufactured by the holder of another Class 4 limited winery license. A Class D beer and wine licenses authorizes the license holder to sell beer and wine at retail, for on- and off premises consumption.

Under current law, Class 8 farm brewery license holders can sell beer produced by the license holder for on-premises consumption. The beer must be manufactured with an ingredient from a Maryland agricultural product, including hops, grain, and fruit, produced on the licensed farm. These license holders are prohibited from brewing more than 15,000 barrels of beer each calendar year. The Class 8 farm brewery license is a manufacturing license issued by the State.

Under current law, a Class 4 limited winery license holder is authorized to ferment and bottle wine and distill and bottle pomace brandy from available Maryland agricultural products. These license holders can sell wine and pomace brandy for on- and off-premises consumption. Class 4 limited winery license holders must own or have under contract at least 20 acres of grapes or other fruit in cultivation in the State used to produce wine or ensure that at least 51% of the ingredients used in the annual production of the license holder's wine are grapes or other fruit grown in the State. The Class 4 limited winery license is a manufacturing license issued by the State.

This bill offers the County's farm breweries and wineries the opportunity to sell other locally produced beer and wine, expanding the variety of local products offered to consumers. Accordingly, Montgomery County supports HB 798, including the amendment adopted by the Montgomery County Delegation limiting consumption to on-premise only.